

STATE OF WISCONSIN
DEPARTMENT OF HEALTH AND SOCIAL SERVICES
DIVISION OF MANAGEMENT SERVICES
BUREAU OF FISCAL SERVICES

ACCOUNTING PROCEDURE

TOPIC: Budget Control 4.0	EFFECTIVE DATE: 5/3/83
TITLE: Procedures for Increasing PR-O/PR-S/PR-F Chapter 20 Budgeted Levels	REVISION DATE: 4/06/93
AUTHORIZED BY: Donald N. Warnke, Director	PAGE 1 OF 3

BACKGROUND

Chapter 20, Statutes, provides explicit criteria that the Department of Administration uses in approving allotments for program revenue appropriations. Sum-certain PR-O, PR-S, and PR-F financing may not exceed the following:

1. The opening unencumbered appropriation (cash) balance, **plus**
2. The value of accrued accounts receivable outstanding, **plus**
3. Inventories and work-in-process, **plus**
4. Estimated fee revenues anticipated to be charged during the year (i.e., revenues not otherwise accounted for in the other amounts).

At the end of the fiscal year expenditures may not exceed:

1. The unencumbered appropriation (opening cash) balance, **plus**
2. The revenue received, **plus**
3. The value of accrued accounts receivable outstanding which the Department of Administration, Division of Finance and Program Management may require declared in year-end closing, **plus**
4. Inventories and work-in-process that is documented in agency level accounting records.

Allotments will be approved only if they meet the above criteria.

Increasing PR-O/PR-S Expenditures and Position Authority

Chapter 20, Laws of 1981, converted most PR-O and PR-S appropriations from continuing to sum-certain status and now require advance approval by the Joint Committee on Finance for final approval of expenditure re-estimates. A sum-

certain appropriation is distinguished from a continuing appropriation in Chapter 20 language in the Statutes. Sum-certain appropriations have wording such as "the amounts in the schedule for," while continuing appropriations are indicated either by the introductory phrase, "as a continuing appropriation" or "all money received from." Section 20.005 (2) State Budget Appropriations identify, under s 20.435, the source and type of appropriation. The types are A-annual, B-biennial, and C-continuing.

POLICY

All increases in sum-certain PR-O and PR-S appropriations' expenditure authority above the amounts in the Chapter 20 appropriation schedule which are not pay plan or other s. 20.865 program supplements are subject to sections 16.505 (position authority) and 16.515 (expenditure authority). All budget increases to PR-F appropriations over Chapter 20 levels will be subject to criteria of s. 16.50 (3) and 16.54.

All new positions requested in sum-certain or continuing PR-O and PR-S appropriations require approval by the Joint Committee on Finance. For sum-certain appropriations, requests for increases in spending authority during the fiscal year must also be approved by the Joint Committee on Finance before incurring higher expenditures or other commitment of funds (e.g., purchase orders, hiring actions, contracts) .

PROCEDURES -- PR-O/PR-S

If there is a need to increase a PR-O/PR-S expenditure or position level, the following procedures should be followed.

1. Notify the appropriate budget analyst in the Office of Policy and Budget and the Lead Accountant in the Bureau of Fiscal Services. The requests will be reviewed at the Department level by both the Bureau of Fiscal Services and Office of Policy and Budget.
2. Requests for sum-certain appropriation increases which are approved by the Department of Administration will then be sent to the Joint Committee on Finance. If the Joint Committee on Finance does not object to an item within 14 working days from the date the report was filed, the request is approved.

Upon approval by the Joint Committee on Finance, an Allotment Request DOA-2026, and if applicable, Position Transaction Request/Report AD-PMIS-1 will be forwarded to the Department of Administration by the Office of Policy and Budget staff.

DOA will notify OPB when the allotment is approved. OPB will notify the Bureau of Fiscal Services of all approvals. Note: This process takes 19 working days at the minimum.

3. Any unencumbered balance (cash) remaining in a PR-O/PR-S annual appropriation on June 30 will not lapse into the general fund but will be carried forward to the next fiscal year as the unencumbered appropriation (cash) balance. However, the spending authority is limited to the budget level as approved by the legislature and s. 16.505/515 actions.

4. Unless otherwise directed by BFS and OPB, all requests for increased spending authority for PR-O/PR-S sum-certain appropriations for a fiscal year must be received by the Bureau of Fiscal Services and Office of Policy and Budget on or before May 31 of that year, and all approved requests must be received by the Department of Administration no later than the fourth working day in June of that year.

PROCEDURES -- PR-F

Any budget increases to PR-F appropriations over Chapter 20 levels will be reported to the Joint Committee on Finance by the Department of Administration. In order to give the Department of Administration the necessary information to complete their report, the following must be identified:

1. Programs (grants) and the respective dollar amounts that were included in the Chapter 20 appropriation level should be reported in the following format (or equivalent) by the BFS Lead Accountant.

Division: Economic Support

Alpha Numeric

GPR

<u>Appn.</u>	<u>Appn.</u>	<u>Project</u>	<u>Program Title</u>	<u>Amount</u>	<u>Match%</u>	<u>Appn</u>
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Total Chapter		20.435	4(n)	\$_____		
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2. All budget documents for PR-F appropriations submitted to BFS for processing must clearly identify which program title the budget applies to. If the budget exceeds the scheduled amount, the reason must be stated. For example:
 - a. Unanticipated grant award (an award not anticipated when the biennial budget was developed);
 - b. Increase to current award (additional funds awarded after initial award reviewed through Form 50/project number assignment process).
3. The Office of Policy and Budget must sign off on all allotments prior to submitting the allotment request to the Department of Administration.

REFERENCES

Wisconsin Statutes - Sections 13.10, 16.505, 16.515, 16.50, 16.54, and 20.903

CONTACT PERSONS

Your Lead Accountant in the Bureau of Fiscal Services
Your Budget Analyst in the Office of Policy and Budget